

## CALENDAR

**MASSACHUSETTS PESTICIDE EXAM SCHEDULE**

UMASS Eastern Extension Center—240 Beaver St., Waltham

**FEBRUARY 8.** Deadline for submitting application is **FEBRUARY 1.****QUESTIONS CALL—617-626-1785.**

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**CHINA'S FRUIT AND VEGETABLE TRADE CHANGING THE MARKET**

By Dennis Shields and Francis Tuan

China's longstanding potential as a strong competitor in international fruit and vegetable trade will likely be realized over the next several years. Although China exports less than 1% of its fruit and vegetable production, private sector investment, both domestic and foreign is currently creating world-class operations that deliver high-quality fruits and vegetables to domestic and international markets.

Over the last two decades, domestic demand has absorbed most of China's gains in production—from 215 million metric tons in 1980 to over 460 million in 1999—as the country's population expands and overall income levels rise. Growth in domestic demand for fruits and vegetables, improvements in marketing practices, and China's future agricultural production policies will likely determine how soon and how strongly China's produce sector affects U.S. and world markets.

China's land base is relatively large and harvested area of fruits and vegetables is about 22 million hectares, about three times the U.S. level. In the 1990's, harvested area increased by nearly one-third for vegetables and nearly 50% for fruit.

While other countries also have large land resources, few have the enormous labor supply available to produce and process labor-intensive crops like fruit and vegetables. Farmers and processors generally have little difficulty in filling their labor needs.

China's diverse climate allows for a wide variety of fruit and vegetable production. In the south, a tropical climate supports production of bananas, citrus, and other tropical fruits, as well as outdoor production of vegetable year-round. In the north, with its cold winters, deciduous fruits and greenhouse vegetables dominate. Seasonal vegetable production is significant in the middle and northern regions.

Where rainfall is not sufficient, fruit and vegetable farmers irrigate by hand or with sprinkler systems.

Fruit production totaled 62 million tons in 1999. Major fruit types include apples (21 million tons), citrus (11 million tons), pears (8 million tons), bananas (4 million tons), and grapes (3 million tons). China is the world's leading fruit producer with output about twice that of the United States. Per capita output is .5 times the U.S. level.

China's fruit and vegetable sector has seen less government intervention over the last half-century than any other agricultural commodity. As a result, fruit and vegetable marketing is more responsive to consumer demand. With the introduction of new varieties, production has grown substantially and product quality has improved.

In 1978, China decentralized the country's economic decision making and allowed farmers to grow products for sale in the open market. Agricultural output increased dramatically and foreign investment rose.

In 1984, communes were disbanded. Farm families and rural economic cooperatives raised produce for their own consumption and for direct marketing to urban consumers. During this time, the number of rural urban markets increased dramatically and accounted for a growing share of the country's produce sales.

Long-term growth in China's production of fruits and vegetables and greater use of markets has coincided with expanded consumption as measured by per capita production. Per capita production of fruit and vegetables grew from 298 pounds in 1980 to 556 pounds in 1999.

The wide selection of products enjoyed by consumers, especially city residents, throughout the year contrasts with the 1980s when a limited supply was available in the winter. Other factors in the consumption increase include rising incomes and changes in diet.

While China's production potential is impressive, an apparent dearth of high-quality supply of product for the domestic market may indicate that near-term prospects for large export volumes are limited. Consequently, domestic demand in high-income areas may be sufficient to absorb the supply of high-quality produce.

Nevertheless, China is making inroads in several markets traditionally dominated by the United States. China produces a large volume of Fuji apples, which have become very competitive in the Hong Kong import market and pushed aside the previous market leader, Red Delicious from Washington state.

Another issue affecting future sales is world price levels and the marketing window. It is likely that a large share of China's products would enter world markets at a time when competition from local and global producers is already intense, because harvesting seasons overlap in the Northern Hemisphere. Consequently, additional supplies in the world market could result in sharp declines for all suppliers.

The evolving nature of post-harvest handling/packaging in China and future levels of foreign investment will likely play a large part in determining the country's future competitiveness in world fruit and vegetable markets. China could become very competitive and post large gains in overall export volumes once the country make significant and widespread advances in marketing practices.

(Article from "THE FRUIT GROWERS NEWS", November 2001)

## U.S. GRADES FOR APPLES

### RUSSETING

Within both the stem cavity and calyx basin, which cannot be seen when an apple is placed stem end or calyx end down on a flat surface, **shall not be** considered in determining injury or damage by russetting, **except** that excessively rough or bark-like russetting within the stem cavity or calyx basin, or both, shall be considered as damage when the appearance of the apple is materially affected.

**ROUGH RUSSETING**—slightly rough, raised

**Amount allowed:**

U.S. Extra Fancy up to ½" diameter

U.S. Fancy up to ½" diameter

U.S. No. 1 up to ½" diameter

**ROUGH RUSSETING**—rough, bark-like

U.S. Extra Fancy up to ¼" diameter

U.S. Fancy up to ¼" diameter

U.S. No. 1 up to ¼" diameter

**SMOOTH RUSSETING**—smooth, net-like. (The allowance is for all of the russet taken together in one area)

U.S. Extra Fancy up to 10% of surface

U.S. Fancy up to 15% of surface

U.S. No. 1 up to 25% of surface

**SMOOTH RUSSETING**—Solid

U.S. Extra Fancy up to 5% of surface

U.S. Fancy up to 5% of surface

U.S. No. 1 up to 10% of surface

## APPLE SHIPMENT TRACKING

Source: USDA

Amounts are shown in units of 10,000 pounds

Season Begins					
SEPTEMBER	12/23/01- 12/29/01	12/16/01- 12/22/01	12/24/00- 12/30/00	Total this season 12/29/01	Total last season 12/30/00
	6,093	10,064	7,759	169,711	204,787

## MID-WEEK F.O.B. PRICES AT MASSACHUSETTS COUNTRY SHIPPING POINT

Prices and grades received by telephone, January 15, 2002

No Change

Controlled Atmosphere rooms being opened

VARIETY	GRADE	SIZE	PRICE
McINTOSH	Cartons Cell Pack U.S. Extra Fancy	80s	19.00
		96s	18.50
	Cartons Film Bags U.S. Fancy	12-3s 2-1/2" min	12.50
	Cartons Tote Bags U.S. Fancy	8-5s 2-1/2" min	14.00

<b>CORTLAND</b>	Cartons Cell Pack U.S. Extra Fancy	72s & 80s	<b>18.00</b>
	Cartons Film Bags U.S. Fancy	12-3s 2-1/2" min	<b>12.50</b>
	Cartons Tote Bags U.S. Fancy	8-5s 2-1/2" min	<b>14.00</b>
<b>EMPIRE</b>	Cartons Cell Pack U.S. Extra Fancy	80s	<b>18.00</b>
		96s	<b>17.50</b>
	Cartons Film Bags U.S. Fancy	12-3s 2-1/2" min	<b>11.50</b>
	Cartons Tote Bags U.S. Fancy	8-5s 2-1/2" min	<b>13.00</b>
<b>RED DELICIOUS</b>	Cartons Tray Pack U.S. Extra Fancy	80s & 88s	<b>13.50</b>
	Cartons Film Bags U.S. Fancy	12-3s 2-1/2" min	<b>11.00</b>
	Cartons Tote Bags U.S. Fancy	8-5s 2-1/2" min	<b>13.00</b>

**FEDERAL MARKET NEWS SERVICE, EVERETT, MASS.**

JANUARY 14, 2002

<b>NEW ENGLAND</b>			
<b>McINTOSH</b>	Cartons Cell Pack U.S. Extra Fancy <b>(Controlled atmosphere)</b>	80s	<b>18.00-19.00 mostly 19.00</b>
		96s & 100s	<b>18.00-19.00</b>
	Cartons Cell Pack U.S. No. 1	80s	<b>12.00</b>
		100s, 120s, 140s	<b>9.00- 9.50</b>
	Cartons Film Bags U.S. No. 1	12-3s 2-3/8" min	<b>9.50</b>
<b>CORTLAND</b>	Cartons Cell Pack U.S. Extra Fancy	80s	<b>18.00</b>
	Cartons Cell Pack U.S. No. 1	80s & 96s	<b>12.00</b>
<b>SHIPPED IN</b>			
<b>McINTOSH</b>	NY Hudson Valley Ctns CelPk U.S.ExFcy <b>(Controlled atmosphere)</b>	80s & 100s	<b>19.00</b>
		80s	<b>24.00</b>
			<b>21.00</b>
	NY Hudson Valley Ctns CelPk U.S. No. 1 <b>(Controlled atmosphere)</b>	120s & 140s	<b>9.50</b>
		100s & 120s	<b>12.00</b>
		12-3s 2-1/2" up	<b>12.00</b>
<b>EMPIRE</b>	NY Hudson Valley Ctns CelPk U.S. Fcy	80s	<b>18.00</b>
		100s	<b>16.00-17.00</b>
	NY Hudson Valley Ctns FlmBg U.S. ExFcy	12-3s 2-1/2" min	<b>12.00</b>
<b>RED DELICIOUS</b>	WA Cartons Tray Pack WAExFcy	64s, 72s, 80s, 88s	<b>17.00-19.00 mostly 17.00-18.00 fine appear. 20.00-22.00</b>
		100s	<b>17.00-19.00 mostly 17.00-18.00 fine appear. 20.00</b>
		113s	<b>16.00-18.00 mostly 17.00 fine appear. 20.00</b>
		125s	<b>16.00-18.00 mostly 16.00-17.00</b>
	NY Hudson Valley Ctns FlmBgs U.S. ExFcy	12-3s 2-3/8" min	<b>12.00</b>
<b>GOLDEN DELICIOUS</b>	WA Cartons Tray Pack WAExFcy <b>Controlled Atmosphere</b>	64s	<b>23.00-24.00</b>
		72s	<b>23.00-23.50</b>
		80s	<b>22.00-23.50</b>
		88s	<b>21.50-23.00 mostly 22.00</b>
		100s	<b>20.00-21.00</b>
		113s	<b>19.00</b>
		125s	<b>18.00</b>

	WA Cartons Cell Pack WAExFcy	80s	<b>27.00</b>
		96s	<b>25.00</b>
<b>ROYAL GALA</b>	WA Cartons Tray Pack WAExFcy <b>(Controlled Atmosphere)</b>	72s	<b>28.00</b>
		80s	<b>24.50 fine appear. 28.00</b>
		88s	<b>24.00-24.50 fine appear. 28.00-29.00</b>
		100s	<b>21.00-24.00 mostly 22.00</b>
<b>ROME</b>	NY Hudson Valley Ctn TryPk U.S. ExFcy	80s & 88s	<b>15.00</b>
	PA Cartons Tray Pack U.S. ExFcy	64s	<b>16.00</b>
		80s	<b>15.00</b>
	NY Hudson Valley Ctns FlmBgs U.S. ExFcy	12-3s 2-1/2" min	<b>12.00</b>
<b>JONAGOLD</b>	WA Cartons Tray Pack WAExFcy	88s	<b>22.00</b>
<b>FUJI</b>	PA Cartons Tray Pack U.S. ExFcy	80s & 88s	<b>24.00</b>
	WA Cartons Tray Pack WAExFcy	56s	<b>24.00</b>
	WA Cartons Tray Pack WAExFcy	64s	<b>22.00</b>
		80s	<b>23.00-24.00</b>
		88s	<b>24.00 fine appear. 26.00</b>
		100s	<b>21.00 fine appear. 24.00</b>
<b>BRAEBURN</b>	WA Cartons Tray Pack WAExFcy	80s	<b>24.50-25.00</b>
		88s	<b>23.00-25.00 mostly 24.00-24.50</b>
		100s	<b>21.00-22.00</b>
<b>GRANNY SMITH</b>	CA Cartons Tray Pack U.S. ExFcy <b>(Controlled Atmosphere)</b>	64s, 72s, 80s, 88s	<b>26.00</b>
		100s	<b>22.00</b>
<b>CIDER</b>	New England Preserved Cartons	4-1 gallon bottles	<b>9.00- 9.40 mostly 9.00</b>
		9 ½-gallon bottles	<b>10.00 best 11.25</b>
<b>Howard Vinton, Editor</b>			

